

Land law victory

The state Supreme Court ruling upholding the constitutionality of Hawaii's Land Reform Act clears the legal air on an issue of emotional and economic importance for many people.

But it will not end all the controversy in the courts and elsewhere on this issue. And it may also lead to renewed calls for the state Legislature to change the law.

MONDAY'S RULING means that now both the U.S. Supreme Court and Hawaii's high court have ruled unanimously in favor of the 1967 law that forces big landowners to sell single-family houselots to those who lease the land.

Those are impressive statements that add up to a powerful endorsement of land reform and its application here. It means the big and essential court fight has been won.

Still, there is some important unfinished business, including the issue of interest assessed to those who lease land while the court process is underway to set value and transfer the title.

Bishop Estate, the loser in this test case, plans a court challenge on that issue.

THE ATTORNEY for the lessees in this and many other cases, Dennis O'Connor, feels the two Supreme Court rulings mean the virtual end of the single-family houselot leasehold system here as we have known it.

Certainly, the Legislature has the power to change the law. However, it would be ill-advised to make major revisions in a system that has both popular appeal and such strong legal backing.

Bishop Estate endorsed proposed changes in the law at the last Legislature. Working against it was strong opposition from lessee groups and controversy over the dual role of House Speaker Henry Peters, an estate trustee.

What happens now is uncertain. Also still pending is the related issue of proposed controls on lease rents.

Residential leases are a small part of Bishop Estate's vast holdings. But the estate has also been concerned that the broad scope of last year's U.S. Supreme Court decision could encourage some to pressure the Legislature to extend the law beyond residential leasehold lots. That could mean other types of private property including condominiums, townhouses, and agricultural and commercial leases. That would be a separate controversy.

STILL, WHILE other battles will be fought in the courts and Legislature, it is hoped the two Supreme Court rulings will cool the essential issue of residential lease lots.

Bishop Estate trustees are sworn to do their best for its sole beneficiary, the Kamehameha Schools serving children of Hawaiian blood. In that interest, they brought the test case that has now been lost.

But it need not follow that those interests have to lose, given financial alternatives for other investments and the huge amount of land the estate still holds unchallenged.

In Hawaii's broader interests, the Supreme Court rulings should be seen as a case where everybody can be made a winner.